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April 14, 2020

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Actions in Response to COVID-19 Docket No. 2020-106-A

Joint Application and Petition of South Carolina Electric & Gas Company and Dominion Energy Incorporated for Review and Approval of a Proposed Business Combination between SCANA Corporate and Dominion Energy, Incorporated, as May Be Required, and for a Prudency Determination Regarding the Abandonment of the V.C. Summer Units 2 & 3 Project and Associated Customer Benefits and Cost Recovery Plans
Docket No. 2017-370-E

Friends of the Earth and Sierra Club v. Dominion Energy South Carolina, Inc.
Docket No. 2017-207-E

Request of the Office of Regulatory Staff for Rate Relief to Dominion Energy South Carolina, Incorporated's (f/k/a South Carolina Electric & Gas Company) Rates Pursuant to S.C. Code Ann. § 58-27-920 (See also Docket No. 2017-305-E)

Dear Ms. Boyd:

I am writing on behalf of Dominion Energy South Carolina, Inc ("DESC" or "Company") to express DESC's appreciation for the agreement communicated by the South Carolina Office of Regulatory Staff ("ORS") in its letter of April 7, 2020, that DESC's request to delay the effective date of the anticipated retail electric rate adjustments was appropriate. The delay was requested in light of the COVID-19 pandemic and the Company's response to it. DESC also appreciates the support shown by others for the position taken by ORS in support of this request to delay.

(Continued . . .)

In its letter of April 7, 2020, ORS expressed concern about the possibility of the Company “providing test-year updates subsequent to November 30, 2020 with the exception of known and measurable out-of-period changes in expenses, revenues and investments that that would materially alter the rate case.” DESC would like to put these concerns to rest. DESC does not anticipate making any updates to test-period data subsequent to November 30, 2020 except those which may be required to reflect known and measurable changes in expenses, revenues, or material rate base items. We hope this acknowledgment will resolve any issues that ORS may have on this point.

In its letter, ORS also requested of DESC that it submit its prefiled direct testimony in this proceeding at the same time that it files its application. DESC acknowledges this request and appreciates the tenor in which ORS has made it. For its part, DESC pledges to work diligently with ORS to accelerate ORS’s review of test period data and pro forma adjustments so that that ORS’s review can begin as soon as the application is filed, which is ORS’s stated goal.

However, DESC would ask ORS and the other parties to recognize and respect that many of the witnesses that will be necessary in this case have important responsibilities for managing the Company’s COVID-19 pandemic response. More specifically, the necessary witnesses will likely include DESC’s president, its president of electric operations, its chief financial officer, and key accounting and regulatory personnel. In addition, those witnesses cannot prepare their testimony alone but will need to call upon a diverse group of employees with responsibility in transmission, distribution, and generation operations, as well as customer service to assist in assembling the information to be provided in testimony and to check and double check it to ensure its accuracy and completeness.

Under the current circumstances, DESC does not believe that it be would be wise to divert these frontline employees from their work to protect customers and employees from effects of the pandemic. Unfortunately, this would be required if they were asked to draft and prefile testimony earlier than is customary. DESC’s request to delay the effective date of the rates until March 2021 was made in part to ensure that the drafting of testimony would be concentrated in late summer and early fall, outside of the height of the pandemic response activities as they are currently understood. While much about the COVID-19 pandemic is uncertain, the Company expects that the process of adjusting to the pandemic and putting in place the steps necessary to respond to it will be well advanced by late summer.

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This does not mean that ORS must wait until testimony is filed to begin its audit and review of the case. The Commission's regulations specify extensive accounting and financial information that must be provided in a rate application. *See* S.C. Reg. § 103-823 (2012). Historically, the Commission has set prefiling deadlines for the Company's direct testimony that is several months after the application is filed. This is consistent with the terms of those regulations which specify that prefiled testimony is to be provided "within a specified time in advance of the hearing." *See* S.C. Reg. § 103-845 (2012). Similarly, the Commission's statutory mandate is to "promulgate regulations to require the direct testimony of witnesses appearing on behalf of utilities and of witnesses appearing on behalf of persons having formal intervenor status, such testimony to be reduced to writing and prefiled with the commission *in advance of any hearing.*" *See* S.C. Code Ann. § 58-3-140(D) (emphasis supplied). The omission of any mention of prefiling being required at the time of an application indicates that this approach is not envisioned by the regulations or the statute. *Hodges v. Rainey*, 341 S.C. 79, 86, 533 S.E.2d 578, 582 (2000) (applying the settled rule of statutory construction that states to express or include one alternative implies the exclusion of any other).

In past rate cases, ORS has conducted its primary discovery based on the application as filed and the material contained in the financial and accounting exhibits that accompany it. In past rate proceedings, ORS has communicated with utilities in advance of the filing to identify the information needed to review and audit the application and rate filing. This has allowed utilities to provide ORS with the bulk of this information as soon as the filing occurs. DESC is prepared to work with ORS in this way to accelerate its rate case review. Under this approach, there would be no need for ORS to wait for direct testimony to be prefiled for ORS to begin its work or any need to divert key personnel for the COVID-19 pandemic response to meet an accelerated prefiling deadline.

Thank you for your consideration of the Company's request. If you have any questions or need additional information, please do not hesitate to contact us.

Very truly yours,

A handwritten signature in blue ink, appearing to read "K. Chad Burgess", with a long horizontal flourish extending to the right.

K. Chad Burgess

KCB/kms